

**REQUEST FOR QUOTE
FOR
INDEPENDENT AUDIT SERVICES**

NEW JERSEY PUBLIC BROADCASTING AUTHORITY

Date issued: June 8, 2012

Quote due date: June 22, 2012 by 2:00 p.m.

**Return quotes to:
NJ Public Broadcasting Authority
Dept. of the Treasury
State of New Jersey
Attn: Laureen Megariotis
8TH fl, 50 W State Street
PO Box 211
Trenton NJ 08625**

A. Purpose

This Request for Quote (RFQ) for Independent Audit Services is issued by the New Jersey Public Broadcasting Authority (NJPBA), an independent authority of the State of New Jersey, in but not of, the Department of the Treasury. The NJPBA seeks to engage a qualified independent auditing firm of certified public accountants for the purpose of fulfilling the NJPBA's responsibilities under Executive Order #122 (McGreevey 2004), and the New Jersey Public Broadcasting Board of Commissioners, and the Corporation for Public Broadcasting (CPB).

The primary objective of this audit is the expression of opinions on the separate and combined financial statements of the NJPBA and Public Media NJ (PMNJ). PMNJ provides public television programming and services and solicits funds for the NJPBA. The auditing firm will be required to assist the NJPBA in meeting the certification requirements of the CPB.

B. Background

The New Jersey Public Broadcasting Authority was established on January 13, 1969 and created as a distinct entity in the New Jersey Department of Energy in 1977 by N.J.S.A. 48:23-1. The NJPBA mission was to establish and operate non-commercial educational television and radio broadcasting stations and to operate one or more public broadcasting telecommunications networks. It was also responsible for providing advisory assistance to other State agencies and local and regional groups regarding public broadcasting network and communications techniques, planning, budgeting, and related issues.

In March of 2010, the Governor of New Jersey proposed to sell the Authority's assets or transfer the assets to a non-profit entity. A Legislative Task Force on Public Broadcasting was created and issued a report October 15, 2010, recommending that the State of New Jersey should no longer operate a public broadcasting entity and further recommended that the broadcast licenses remain with the State, as well as, broadcast transmission assets. A transition to the new NJPBA model occurred on July 1, 2011.

C. Request for Quote

1. Timeline

NJPBA Board approves audit firm	By June
Pre-audit conference	July
Field work	August
Submit draft audit reports to Management	By October
Present final audit reports to Audit Committee	By November

2. Minimum qualifications of Independent Auditor

Independent auditor must be included in State of New Jersey Auditing Service contract T-2458.

Independent auditor must have performed audits of governmental authorities for a minimum of 10 years.

3. Quote should contain:

- a. Audit cost, per State contract format;
- b. Description of work plan and methodology audit firm will use;
- c. Description of audit personnel accessibility;
- d. Resumes and relevant work experience of principal members of firm's staff who will be assigned to NJPBA audit;
- e. Names, addresses, and telephone numbers of at least two verifiable references where a contract of similar scope and complexity was handled by firm.

4. Quote due date

One (1) original and six (6) copies of the quote must be marked "Quote for Independent Audit Services-NJ Public Broadcasting Authority" and addressed to:

Regular Mail:
NJPBA, Dept of the Treasury
State of New Jersey
Attn: Laureen Megariotis
8th Fl, 50 W State Street
PO Box 211
Trenton NJ 08625

Overnight Mail:
State of New Jersey
Div. of Admin, Dept of the Treasury
Attn: Laureen Megariotis
8th floor
50 W State Street
Trenton NJ 08608

Quotes must be submitted no later than 2:00 p.m. on Friday, June 22, 2012.
Quotes submitted after this date and time will not be considered. E-mailed and/or faxed quotes will not be accepted under any circumstances.

D. Scope of Audit

The audit of the NJPBA is to be performed on a QuickBooks general ledger system that contains all of the NJPBA financial transactions. That ledger includes the transactions associated with the NJPBA of the State of New Jersey Consolidated Financial System. Financial records are maintained on a hybrid cash/accrual basis during the year and converted to full accrual at year end. The QuickBooks accounting system is not fully automated. While the NJPBA is the client for this audit, PMNJ has consented to the use of their audit for the purpose of combining financial statements.

The objective of this annual audit is to express an opinion as to the fair presentation of the balance sheet statement and related statements of revenues, expenditures

and changes in fund balance for the NJPBA. Although the NJPBA will be responsible for the initial CPB annual report, the auditor will be required to provide assistance with the year end accruals, closing entries, and preparation of the CPB final report.

Testing will include but not be limited to:

- a. Preparation of financial statements (Statement of Revenues and Expenses, Changes in Net Assets, Statement of Cash Flow), postings to general ledger, journal transactions, crosswalk entries from NJCFS system.
- b. Examination of non-Federal financial support amounts reported in AFR required by Corporation of Public Broadcasting including: support and revenue, cash receipts classification, allocation methods for calculating indirect administrative support, indirect costs.
- c. Closing entries for disposition of assets.

The independent auditor must provide a management letter for the fiscal year. The letter should deal with substantive issues and provide constructive management comments that require attention by the NJPBA's management.

The independent auditor must conduct the examination of the Grantee's (NJPBA) financial statements in accordance with Generally Accepted Auditing Standards as approved by the AICPA. The primary objective of the auditor's examination is to determine whether the financial statements fairly present the entity's financial position and financial activity in accordance with GAAP, applied on a consistent basis with the preceding period. To determine this, the entity's accounting system and related internal control structure must be reviewed to ensure that they are operating effectively and that adequate records are being maintained.

E. Questions and inquiries

The NJPBA will accept only written questions and inquiries about this RFQ. All written questions must be received by 4 p.m., Wednesday, June 20, 2012 and directed to:

Laureen Megariotis
NJPBA
Dept. of the Treasury, Fiscal Admin.
PO Box 211
Trenton NJ 08625

Laureen.Megariotis@treas.state.nj.us

Answers to any such written questions or inquiries shall be posted on the NJPBA website at <http://www.state.nj.us/treasury/njpba/audit.shtml>. Bidders are responsible for checking the website for updates and responses. No further notice will be distributed.

F. Analysis and evaluation of quotes

An evaluation committee will review and score each quote received that meets the minimum qualifications set forth above, pursuant to the criteria specified below.

The criteria used to evaluate responsive quotes shall include, but not be limited to, expertise, capacity, experience and personnel in accordance with Executive Order #122 and may include the following evaluation criteria categories, separate or combined, in some manner and not necessarily in order of significance:

- a. Proposed fee for services;
- b. Quality of response to quote package;
- c. Demonstrated ability and qualifications to conduct governmental authority audits;
- d. Quality of relevant service to governmental entities in previous transactions;
- e. Experience with CPB auditing and filing requirements.